#### GOVERNMENT OF TELANGANA ABSTRACT

Agriculture & Cooperation Department – Fertilizers – Detailed Operational Guidelines on Fertiliser Supplies, Distribution & Monitoring for Vanakalam (Kharif) 2021-22 – Orders – Issued.

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AGRICULTURE & COOPERATION (AGRI-I) DEPARTMENT

MORICOLTORE & COOTERTHON (MORI-1) DEL MINIMENT

<u>G.O.Rt.No.240</u> <u>Dated: 07-05-2021</u>. Read:

From the Commissioner of Agriculture, Hyderabad Lr.No.Fert (1)144/2021, Dated 29-04-2021.

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#### ORDER:

In the circumstances reported by the Commissioner of Agriculture, Hyderabad vide reference read above, Government after careful examination, hereby approve the following Operational Guidelines on Fertiliser Supplies, Distribution & Monitoring for Vanakalam (Kharif) 2021-22, to ensure smooth distribution of fertilizers to the farmers in the State of Telangana.

#### I. SUPPLY PLAN

- 1. Month-wise, Product-wise fertilizer supply plan will be communicated to all District Agriculture Officers and manufacturers / suppliers / concerned on the basis of monthly allotments issued by Department of Fertilizers (DoF) Govt. of India.
- 2. On receipt of the district monthly supply plan, the District Agriculture Officers shall prepare Mandal / Product / Manufacturer wise District supply plan of the Month. A copy of the same shall be submitted to the O/o C&DA within 3days of the receipt of the supply plan. This shall be based on areas likely to be covered / requirement as per the seasonal conditions but not based on indents or requisitions from individuals / institutions.
- 3. The District Agriculture Officers shall duly prioritize the needy areas, based on the cropped areas / extent and the recommendations of the Soil Health Card and in turn communicate the allotments to the ADAs/MAOs.
- 4. All MACS, PACS, DCMS shall be treated as retailers.

# II. **DISTRIBUTION**:

- 1. On receipt of stocks at rake point, Rake Point Officer should monitor the distribution as per the allotment issued by the C&DA at Rail Head and ensure the compliance of receipt of the same by the catering districts by e-mail to O/o C&DA.
- 2. District Agriculture Officers shall allot the stocks with the approval of District Collector and the rake point officer shall ensure the dispatches accordingly under compliance to the DAO concerned.
- 3. Rake-Point Officer shall ensure that fertilizer physical movement shall be carried out along with iFMS / RO Module invoicing. Companies shall provide the RO module invoice to the Rake Point Officer for movement of the rake quantity. Without RO module (Vehicle challan) in-voice, fertilizer movement is strictly restricted and Rake Point Officer appointed by the Agril Dept will be responsible.

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- 4. It is the responsibility of the Mandal Agricultural Officer / Officer designated to intimate the farmers of those villages about the availability of fertilizers through tom-tom / electronic media / whatsapp groups / e-mails / Rythu Vedikas etc. The District Agriculture Officers shall keep a close watch on themovement of rakes and if there is any delay in rake arrival / supplies, the farmers of concerned villages are to be kept informed and not put to inconvenience.
- 5. Wide publicity on availability of fertilizers shall be given in the local press/electronic media to allay the fears among the farmers and to avert panic buying by the farmers.
- 6. All the dealers, PACS, AGROS, MARKFED and others who are involved in the business of fertilizers shall maintain the list of farmers who received fertilizer village wise in each mandal.
- 7. Distribution shall be a continuous process as and when the farmers come to purchase, he / she shall get the fertilizer.
  - 1. Stock boards along with price board shall be displayed by the dealer without fail.
  - 2. Dealer shall advocate the use of Fertilizer based on Soil Health Card recommendations only based on their land holding.
  - 3. The dealer shall not promote any specific brand to the farmers who comes to purchase fertilizer.
- 8. a. TS MARKFED shall maintain buffer stocks of 5.00 LMT viz., 0.30 Lakh MT of DAP; 0.70 Lakh MT of Complexes and 4.00 Lakh MT of Urea to avoid any hardship to the farmers.
  - b. The nodal agency shall procure Urea, DAP, Complex, MoP as Buffer.
  - c. The TS MARKFED should invariably maintain district wise indicated buffer levels, while distribution to the needy, credible and active PACS, ARSKs regularly.
  - d. Maintenance of Buffer and its disposal:

Vaanakalam: The TS MARKFED should build its targeted buffers in the lean months ie, April to June and should be allowed for distribution by its members (PACS, ARSKs) from July to September.

Yasangi: Buffer may be build up from October to December and release from January to March.

This will be useful in drawing the allotments of DoF during lean season and releases during peak season will help the timely availability of fertilizer and avoids piling of old stocks leading to caking.

- 9. a. The allotment of Urea rake by the DAOs in the district shall be: 40% to MARKFED for maintaining buffer stocks as per indicated buffer levels for distribution to the needy areas to avoid spurt of demand. 40% shall be allotted to the Private dealers and upto 20% to TS AGROS respectively.
  - b. MARKFED shall not take less than 20% of P & K fertilizers from the Urea suppliers, dealing with DAP / complexes, duly pushing the stocks to the PACS and replenishing with new purchases.
- 10. The DAOs shall identify the available space at retail dealers and the TS MARKFED, in view of the increased buffer target from 4.00LMTs to 5.00LMTs of fertilizers, shall identify suitable space at PACS & Others, in coordination with the DAOs, for decentralization and pre-positioning of fertilizers to build confidence among the farmers, prior to the commencement of the season.

- 11. The DAOs shall identify sensitive pockets in their jurisdiction before the commencement of the season (Vaanakalam & Yasangi respectively) and submit a copy of the same to the O/o C&DA, TS, Hyderabad. The fertilizer requirement shall be assessed and arrange to position as per the requirement in the identified sensitive areas in advance.
- 12. The Handling and Transport Agency shall arrange to clearly demarcate the company stocks and MARKFED stocks in the godowns which are entered into agreement with companies and TS MARKFED. The MARKFED shall ensure the same. The ADA® concerned shall verify the same and report compliance to the DAOs by 1st week of every month.
- 13. TS MARKFED shall exhaust the old DAP, Complex, Urea stocks available with them and shall replenish the stocks with fresh arrivals from time to time on the basis of First-In First-out principle and also maintain the district-wise buffers as indicated by the Commissioner of Agriculture.
- 14. Stocks shall not be allotted to PACs which are not financially sound / defaulters. Efforts shall be made by the TS MARKFED to bring all the PACS into functional mode before start of the season, in cooperation with District Cooperative Officers (DCOs).
- 15. The allotment to a retail dealer shall be limited to 2 trucks only in the peak Season per consignment and ensure that all the retail dealers are covered in the jurisdiction.
- 16. No stocks shall be held by MARKFED in their godowns at the cost of farmers requirement on the ground that PACS are delaying lifting of stocks. PACS outlets may also be allowed direct access to procure from the rake point whenever required as per the allotment indicated by the District Collector to overcome delay.
- 17. The PACS/specified dealer shall not give more than the estimated quantity to a single farmer based on acerage. The PACS shall sell the stock to the members as well as non-members of villages attached to that PACS.
- 18. Wherever there is no PACS / Dealer network, the alternative agency may be identified like FPO (Farmer Producer Organizations).
- 19. In case of products dispatched directly from the manufacturing point(s) by road movement, the in-charge Officials of the company deployed by the concerned manufacturer / company must inform the destination to the District Agriculture Officers of the respective districts about the product / Quantity / time of dispatch and likely arrival at the retail dealer point (with address).
- 20. The concerned DAO shall arrange to maintain the dealer-wise and mandal-wise receipts received by them through Road Movement.
- 21. If necessary, all the Departmental Officials may be pooled and entrusted with supply and distribution plans in problematic areas within the district, especially at remote points.
- 22. The DAOs shall not insist on supply of particular brand / company product. The supply of products shall be as per availability and production undertaken by the manufacturers. Awareness shall be created among the farmers on nutrient contents of various fertilizers and to discourage preference to a particular brand of a company.
- 23. No dealer is allowed to do manual sales of fertilizers. All sale of fertilizers to the individual farmers shall be based on Bio-Metric Authentication through e-PoS machine.

#### III. MOVEMENT:

- 1. To prevent inter-state unauthorized/ illegal movement of fertilizers, the border District Agriculture Officers must keep constant vigil in liaison with check post authorities.
- 2. The allotment of subsidised fertilizers as raw materials to NPK Mixing Units / Customized Fertilizer Grades (CFG) units shall be done by the district District Agriculture Officers in accordance to the guidelines issued by the Government of India from time to time.
- 3. Any modification in the allotments given by the District Collector to wholesale / retail dealer shall be with specific permission by the district authority only.
- 4. All the Manufacturers and wholesalers must follow Direct Benefit Transfer (DBT) Module and raise invoices only through RO Module. Invoicing in Real Time basis without any deviation and ensure to send the vehicle challan hard copy generated using RO Module along with physical movement of Fertilizer should be ensured.

#### IV. MONITORING:

- A Committee consisting of District Agriculture Officer, Representatives of fertilizers companies, including lead Manufacturers representative, District Cooperative Officer, District Manager, (DM, TS MARKFED), DM (AGROS) headed by the Collector shall monitor supply of fertilizers to farmers by various dealers and PACS and others on regular basis as per need. A compliance on the constitution of the Committee shall be reported to the Commissioner of Agriculture by 5<sup>th</sup> May, 2021. A meeting atleast once in a month or as and when required shall be convened by the Committee and the Minutes of the Meeting shall be submitted to the O/o C&DA, TS, Hyderabad.
- 2 The details of the Rake Point officers designated by the respective districts along with the duties assigned shall be communicated to Commissioner of Agriculture, before commencement of season by the respective districts by 5<sup>th</sup> May, 2021.
- 3 On receipt of stocks at rake point, Rake Point Officer will monitor the distribution as per the allotment issued by the Commissioner of Agriculture at Rail Head and ensure the compliance of receipt of the same by the catering districts by e-mail to Commissioner of Agriculture.
- 4 District Agriculture Officers shall allot the stocks with the approval of District Collector and the rakepoint officer shall ensure the dispatches accordingly under compliance to the DAO concerned.
- 5 District Agriculture Officers shall keep continuous contact with the manufacturing / supplying companies representatives at district level, specify the areas for supplying fertilizers in their business areas well in advance and monitor the supply. Any shortfall / problem is to be brought to the notice of Commissioner of Agriculture, Telangana.
- 6 The District Agriculture Officers at the district level shall organize fertilizer dealers' meet at district level during the 1st week of every month and coordinate the supplies with the fertilizer companies / suppliers as per supply plan communicated to the district. Any problem observed shall be brought to the notice of Nodal Officer of Commissioner of Agriculture / Additional Director of Agriculture.
- 7 The District Agriculture Officer and the Rake Point Officer shall monitor and coordinate the unloading of rakes received in the districts with in the stipulated time of 9 hours as per the Railway norms, in close coordination with the district administration.

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- 8 It is the responsibility of concerned fertilizer importer or supplier to inform the arrivals of import vessels at ports and the allotment copies to Commissioner of Agriculture from time to time.
- 9 Monitoring cell at O/o DAO must be activated and one officer shall be nominated, who will be responsible to send the report in the proforma communicated by the Office of Commissioner of Agriculture on daily basis by 2.00PM without fail.
- 10 The Notified Authority / ADA®s at divisional level shall ensure sales at every retailers point through PoS device only and monitor the acknowledgment of receipts by the Retail dealer in his jurisdiction.
- 11 Fertilizer Inspectors must visit all the Retailer outlets in their jurisdiction from time to time to ensure physical stock of Retailer Dealer match with PoS stock.

## V. NUTRIENT BASED SUBSIDY:

- As per the "Nutrient Based Subsidy Policy" the per Metric Tonne subsidy of P & K fertilizers has been fixed by Department of Fertilizers, GoI. The details of Product-wise subsidies from time to time are available on the Official website of Department of Fertilizers (DoF)
- 2 The retail prices of P & K fertilizers will be decided by the Manufacturers/Companies. The Companies shall print clearly on the bags the following details:
  - (a) Maximum Retail price of the product (in Rs.)
  - (b) Applicable subsidy on the fertilizer bags (in Rs.)
- 3 Any sale of fertilizers over and above the printed MRP shall not be allowed and is punishable as per Act.

#### VI. REGULATION:

- 1. Since 2012, the fertilizers licensing is being done through OLMS and the manual process is dispensed off and the same shall be continued.
- 2. No linkage of product shall be allowed.
- 3. Any soft pedaling by ADAs/ District Agriculture Officers in initiating action against erring dealers under FCO/EC ACT will be viewed seriously.
- 4. Any sale above the printed MRP will be punishable under FCO. The fertilizer inspectors shall inspect the retail outlets and ensure that the fertilizers are sold at Maximum Retail Prices printed on the bags.
- 5. The District Agriculture Officers shall obtain the product wise, Company wise MRPs (indicating the retail price, GST applicable & subsidy applicable separately) fixed and printed on the bags by the manufacturers.
- 6. a. Pre-season Inspections: 100% verification of all the fertilizer licenced outlets shall be taken up by the districts duly forming internal squads before the commencement of season (Vaanakalam / Yasangi) to ensure that the dealers comply to the provisions of FCO, 1985.
  - b. The DAOs shall submit compliance and Action Taken Report on conduct of 100% verification of all the Fertilizer Outlets in their respective jurisdiction by 10<sup>th</sup> June, 2021 (Vaanakalam) and 10<sup>th</sup> November, 2021 (Yasangi).
  - c. Internal squads shall be formed / Decoy operations shall be organized as and when required for enforcement of FCO provisions to ensure the printing of prices on every bag, to monitor that on no account shall the fertilizer bags are sold over and above MRP and also to ensure compliance to the provisions of FCO by the dealers.

- 7. The request for inclusion of new godowns /amendment of Form-Os shall be processed and granted as per the procedures speedily whenever the stocks are moved to new godowns during peak season of Fertilizer movement by the concerned Notified Authority in their jurisdiction.
- 8. The application for renewal of all types of Fertilizer Licences shall be made with valid documents, before the expiry of the Licence in advance, by the companies.
- 9. Action against violators of FCO 1985 provisions shall be taken immediately and a consolidated report shall be submitted by 5<sup>th</sup> of every month without fail.

#### VII. REPORTING:

- 1. Information on day-wise supplies from the manufacturers shall be collected, cross-checked with retailers about actual arrivals and sales to farmers and closing balances (ground stocks) shall be reported to the Commissionerate.
- 2. Daily Fertilizer availability report shall be submitted in the following proforma by the districts invariably without fail from District Monitoring Cell: (In MTs)

SNo	Product	Opening Balances	Receipts (*)	Total Availability	Sales	Closing Balances
1	2	3	4	5(3+4)	6	7(5-6)

The above information shall be furnished for the stocks with Private Dealers (retailers & wholesalers dealers), Societies, MARKFED and Company Godowns. (Receipt: Company-wise, product-wise receipts to be furnished.)

## VIII. Implementation of DBT-Sale of fertilizers through PoS (Point of Sale) machines

- 1. The Department of Fertilizers have implemented Direct Benefit Transfer in Fertilizers wef 1<sup>st</sup> Jan, 2018 in the State of Telangana where the sale of all fertilizers under Nutrient Based Subsidy Regime Policy is mandated through Point of Sale (PoS) machines only, which are installed at Retail Dealers (including Societies), in the State of Telangana.
  - No dealer is allowed to carry on the fertilizer sales without e-POS device.
- 2. The Licenses of those dealers who are resorting to manual sale shall be cancelled by the respective Notified Authorities and the POS device available with that dealer shall be handed over to another needy dealer in the district.
- 3. Notices to inactive retailers who fail to do any transaction from past one—year, that their licences will be cancelled if they fail to operate the PoS—machines, shall be given by the authorities concerned.
- 4. Constitute DBT Working group comprising all stake holders and grievance redressal mechanism at district level and sub-divisional level.
- 5. Aadhar seeding of Soil Health Card to be quickened up as this will enable the farmer to decide the quantity of fertilizers to be used as per the SHC recommendations.
- 6. At any given point of time, the physical stock available with the dealer Shall match with PoS stock.
- 2. The Commissioner of Agriculture, Hyderabad shall take necessary action accordingly.

# (BY ORDER AND IN THE NAME OF THE GOVERNOR OF TELANGANA) DR.B.JANARDHAN REDDY, APC & PRINCIPAL SECRETARY TO GOVERNMENT.

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The Commissioner of Agriculture, Hyderabad.

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# Copies to:

The P.S to Hon'ble Minister(Agri.&Coop.)
The P.S to Secretary to Govt.(A&C Department)
Sf/Sc.

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**SECTION OFFICER**